

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL SESSION
January 29, 2002**

The Board of Supervisors of Maricopa County, Arizona convened at 9:30 a.m., January 29, 2002, in the Board of Supervisors' Auditorium, 205 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Chairman; Fulton Brock, Vice Chairman; Jan Brewer and Mary Rose Wilcox. Absent: Andy Kunasek. Also present: Fran McCarroll, Clerk of the Board; Jessie Burning, Administrative Coordinator; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney.

PRESS CONFERENCE: RESULTS OF THE GOVERNMENT PERFORMANCE PROJECT

Item: Results from Governing Magazine's February 2002 issue that summarizes the Government Performance Project's (GPP) analysis and grades. Governing Magazine's overall rating of Maricopa County is an "A"-.

Al Macias, Communications Director, opened the press conference stating that Maricopa County had just received an A- rating regarding the Government Performance Project. He began with Maricopa County's historic background. Maricopa County, named after the Maricopa Tribe, was created from portions of Pima and Yavapai counties in 1871. It was the fifth county formed in Arizona, and eventually portions were split off to create Gila and Pinal counties.

In the late 19th century, citizens living far south of Prescott, the territorial capital and site of the Territorial Legislature, petitioned for a more local seat of government. Residents of the Salt River Valley and the Gila River area wanted new counties in their respective locations. After weighing both proposals, the Legislature agreed with the Salt River Valley group and created Maricopa County. In 1889, Phoenix became the site of the territorial capital and retains its status as Arizona's capital city.

More than half of the state's population resides in Maricopa County, which (among others) includes the cities of Phoenix, Mesa, Glendale, Scottsdale, Tempe, Chandler, Peoria, and Gilbert. This metropolitan area is the state's major center of political and economic activity. In addition to housing the state capital, the county is home to a growing high-tech industry; manufacturing and agricultural industries; 15 institutions of higher learning, including Arizona State University and the American Graduate School of International Management; various cultural attractions; major league professional basketball (Phoenix Suns and Phoenix Mercury), football (Arizona Cardinals), hockey (Phoenix Coyotes) and baseball (Arizona Diamondbacks, 2001 World Series Champions); and Phoenix Sky Harbor International Airport.

Today Maricopa County measures 9,222 square miles, 98 square miles of which is water. Twenty-nine percent of this area is owned individually or by corporation, and 28 percent is owned by the U. S. Bureau of Land Management. The U. S. Forest Service and the State of Arizona each control 11 percent of the county; an additional 16 percent is owned publicly. Almost 5 percent is Indian reservation land.

Mr. Macias continued by explaining the Government Performance Project (GPP) which is a multi-year project created to rate the effectiveness of government management systems that support public service delivery. Funded by a grant from the Pew Charitable Trusts, The Maxwell School's Alan K. Campbell Public Affairs Institute administers the project in cooperation with *Governing* Magazine, one of the nation's leading magazines dedicated to fostering better public management. In 1999 and 2001, GPP reported on all 50 states. In 2000, the report focused on the 35 largest cities (by revenue) in the United States. The 2002 report examines 40 of the nation's largest counties across four geographic regions.

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Mr. Macias presented the details of how the study was conducted. Maricopa County was one of only two counties in the country to receive the highest overall score of "A". The study looked at five key areas of Maricopa County's management system; the County's Financial Management, Human Resources, Information Technology, Capital Management and Managing for Results.

According to *Governing* magazine, regarding the recently released scores, "... (Maricopa County) has undergone a startling reformation...there has emerged a focus on team building, a results orientation and a system of incentives and disincentives to keep spending in line." Forty counties across the United States were reviewed in this study. Only two counties earned the top score.

Mr. Macias noted that this is the second major award given to Maricopa County by Governing Magazine in the last three months. In November 2001, County Administrative Officer, David Smith, was named one of the top Public Officials of the Year.

Maricopa County received its highest individual component grade, an "A", for its use and design in Information Technology. The study specifically mentioned the County's user-friendly website. Maricopa and 39 other counties across the country were reviewed over the last six months.

Maricopa County achieved the following scores in each category:

- ✓ **Financial Management:** **A-** "Superior financial and budgetary policies..."
- ✓ **Capital Management:** **B+** "...active citizen participation....good project prioritization..."
- ✓ **Human Resources:** **B+** "...strong training program...vastly improved employee morale.."
- ✓ **Managing For Results:** **A-** "Strategic planning and measurement taken seriously at all levels.."
- ✓ **Information Technology:** **A** "...web site allows numerous citizen transactions."
- ✓ **Overall Score:** **A-**

The study was conducted by the Maxwell School of Citizenship and Public Affairs at Syracuse University. A link to the full report can be found on Maricopa County's website at www.maricopa.gov. Scores for other counties and information on the study are also available at www.maxwell.syr.edu/gpp or at Governing Magazine at www.governing.com.

Chairman Stapley expressed that it was a "great moment" for Maricopa County. He emphasized the County's obligation to fill the gap where cities and states fall short in establishing programs and services for the public. Supervisor Stapley noted that the article stated that America's counties are sometimes called "invisible governments". The media all but ignores counties and many citizens are not even aware of which functions their counties provide, as distinct from those of cities and states.

Supervisor Brewer emphasized the word "terrific" as the word designed for a day like today. She added that six years ago Maricopa County would have received the lowest of ratings for counties. However, with debt reduction, mandates, and county payroll market adjustments to match the private sector, Maricopa County

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has accomplished a complete turn-around. Supervisor Brewer stated that the internal growth and team-work would not have transpired without the efforts of all County employees.

Supervisor Brock expressed that this is a very exciting time for Maricopa County. Tremendous strides have taken place with the county employees' Rewarding Ideas Program, which also incorporates savings for the County. Supervisor Brock also commented on the County's current AA Bond rating, and setting a future goal for Maricopa County to achieve a AAA Bond rating.

Supervisor Wilcox mentioned the City of Phoenix and its title of "Best Run City in the United States" and how that accomplishment assisted in bringing economic gain to the City and the County. Maricopa County may be facing strict fiscal standards for the future, however, the County is prepared for the challenge. Supervisor Wilcox stated that she is proud to be part of the Board of Supervisors' for Maricopa County.

David Smith, County Administrative Officer, pointed out the importance of policies, management and teamwork for defining the role of good government. When thanking the Board of Supervisors, Mr. Smith stated that the high rating is due to the policies that have been created and put in place by the Board. However, there is still room for improvement; citizens need the county's services. Mr. Smith stated one of his favorite sayings: "Be the genius of your own job, and do it even better tomorrow". He emphasized that he is very proud to be part of the County organization, and more gratified with the County's grade report from the Government Performance Project than he was with his own Governing Magazine honor as one of the top Public Officials of the year.

EXCERPT FROM THE GOVERNMENT PERFORMANCE PROJECT ARTICLE

Report Card:

Maricopa County, Arizona

- Population: 3,072,149
- Largest City: Phoenix (1,321,045)
- Revenue: \$1,572,724,000
- Administrative Officer: David R. Smith, appointed
- Board of Supervisors: 5 members, elected by district
- Other elected officials: Assessor, Clerk of the Court, County Attorney, Recorder, Sheriff, Treasurer

Back in the mid-1990's, fast growing Maricopa was a poster child for a badly run county government – comparisons with the much praised city of Phoenix, its metropolis, were inevitable. Many government functions were run by independent and quarrelsome elected officials. Political tension was high. Maricopa's bond ratings were falling. The health system was ailing and information technology was terrible, with incompatible systems abounding.

A solution seemed to beckon in the form of "home rule" – permission from the Arizona legislature to write a new charter, freeing the county from the iron rule of the state and allowing it to dispense with the awkward organizational structure that was making management difficult. But voters

rejected the idea in 1996, and it looked as if Maricopa County would remain structured to fail.

Surprise! Over the past six years, the county has undergone a startling reformation. Under Administrative Officer David Smith and a supportive board, there has emerged a focus on team-building, a results orientation and a system of incentives and disincentives to keep spending in line. The county now awards its departments enormous freedom to make spending decisions, retain savings and offer personal rewards to employees. But if a department goes over budget, as Animal Control did last year, it's immediately placed on tight restrictions.

Employee morale has been boosted through improved training programs, tuition reimbursement, a "management school" and intense efforts to get employees and managers to "drop the loser attitude." Most of the elected officials now pride themselves on working together. The assessor, recorder and treasurer, for example, have joined forces for a one-stop "call center" to meet citizen-service requests.

There's still room for improvement in Maricopa. The county's infrastructure suffers from years of neglect, with huge property leasing costs and more than \$100 million in unmet facility-maintenance needs. And a weakening economy threatens. But the systems now in place should help Maricopa stay focused on its long-term strategic goals. "What I'm telling everyone is that we'll come out of this stronger than ever," says Smith. "We're looking at this from an aggressive posture of how we can end up being financially and programmatically a 100 percent accountable government."

The Supervisors answered questions from the audience.

Q: What will be the effect of redistricting?

Supervisor Brock responded that if the question involved a county split, he felt that there had been no discussions on that issue yet. One of the biggest factors to be considered is the additional cost and the loss of economies of scale with the establishment of a new government.

Supervisor Wilcox added, "If it ain't broke, don't fix it". She explained the need for the continuity of regional government.

Supervisor Brewer responded that when La Paz County was formed the state had to pick up a number of the costs. She explained that it would be important that the new county be fully self-supporting.

Q: What is the impact on economic development given the fact that Maricopa County is in such a period of rapid growth?

Chairman Stapley responded that he hope the Greater Phoenix Economic Council (GPEC) and other regional groups will highlight this superior grade from Governing Magazine. He felt that companies

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considering a move to the Phoenix area would consider the excellence of a regional government as a positive factor.

Supervisor Brewer added that the fast growth of the county was a significant factor in economic development. Additionally, three years in a row the Board of Supervisors had dropped the tax rate and effectively dealt with all long term debt.

Supervisor Wilcox stated that when the City of Phoenix had received such a rating from the same project that it had spurred tremendous economic growth in the area.

Supervisor Brock commented on several factors in addition to the A- grade which offer opportunities for economic growth. These factors include; 1) a large population base, 2) rail spurs, 3) a regional airport, 4) two military bases, one decommissioned and one active, 5) a wide-spread fiber optic infrastructure, and 6) a very reasonable tax rate. He added that the technology industry and the demographics of the region make this an attractive place to bring or grow a business.

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board